

1 BILL NO. R-83- 11-05

2 RESOLUTION NO. R- 107-83

3 A RESOLUTION FINDING, DETERMINING  
4 AND RATIFYING AN INDUCEMENT RESOLUTION  
5 OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION  
6 AUTHORIZING THE ISSUANCE AND SALE OF  
7 \$3,000,000.00 ECONOMIC REVENUE BONDS OF THE  
8 CITY OF FORT WAYNE, INDIANA,  
9 FOR THE PURPOSE OF INDUCING THE APPLICANT,  
10 PATTON ELECTRIC CO., INC.  
11 TO PROCEED WITH THE ACQUISITION  
12 CONSTRUCTION AND EQUIPPING OF THE PROJECT.

13 WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer") is  
14 authorized by I.C. Sec. 36-7-12 (the "Act") to issue revenue  
15 bonds for the financing of economic development facilities, the  
16 funds from said financing to be used for the acquisition,  
17 construction and equipping of said facilities, and said facili-  
18 ties to be either sold or leased to another person or directly  
19 owned by another person; and

20 WHEREAS, Patton Electric Co., Inc. (the "Applicant") has  
21 advised the Fort Wayne Economic Development Commission and the  
22 Issuer that it proposes that the Issuer acquire and equip an  
23 economic development facility and sell and/or lease the same to  
24 the Applicant or loan proceeds of an economic development  
25 financing to the Applicant for the same, said economic develop-  
26 ment facility to be construction of a building on existing real  
27 estate together with improvements and renovation to existing  
28 facilities, purchase of molds, tools, machinery and equipment,  
29 including costs of issuance, to be located at 15012 Edgerton  
30 Road in Allen County, Indiana (the "Project"); and

31 WHEREAS, the diversification of industry and an increase in  
32 141 jobs to be achieved by acquisition and construction and  
equipping of the Project will be of public benefit to the health,  
safety and general welfare of the Issuer and its citizens; and

WHEREAS, having received the advice of the Fort Wayne  
Economic Development Commission, it would appear that the



1 financing of the Project would be of public benefit to the  
2 health, safety and general welfare of the Issuer and its  
3 citizens; and

4 WHEREAS, the acquisition and construction of the faci-  
5 lity will not have an adverse effect on any similar facility  
6 already constructed or operating in or about Fort Wayne,  
7 Indiana.

8 NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF  
9 THE CITY OF FORT WAYNE, INDIANA:

10 SECTION 1. The Common Council finds, determines, rati-  
11 fies and confirms the promotion of diversification of economic  
12 development and job opportunities in and near Fort Wayne,  
13 Indiana and in Allen County, is desirable to preserve the  
14 health, safety and general welfare of the citizens of the  
15 Issuer; and that it is in the public interest that Fort Wayne  
16 Economic Development Commission and said Issuer take such action  
17 as it lawfully may to encourage diversification of industry and  
18 promotion of job opportunities in and near said Issuer.

19 SECTION 2. The Economic Development Commission in  
20 recommending the project, found specifically that the project  
21 will not have an adverse competitive effect on similar facilities  
22 already constructed or operating in Allen County, Indiana, and  
23 the Common Council has also held a hearing and specifically finds  
24 that the project will not have an adverse competitive effect on  
25 similar facilities already constructed or operating in Allen  
26 County, Indiana.

27 SECTION 3. The Common Council further finds, deter-  
28 mines, ratifies and confirms that the issuance and sale of reve-  
29 nue bonds in an amount not to exceed \$3,000,000.00 of the Issuer  
30 under the Act for the acquisition, construction and equipping of  
31 the Project and the sale or leasing of such a financing to the  
32 Applicant for such purposes will serve the public purpose



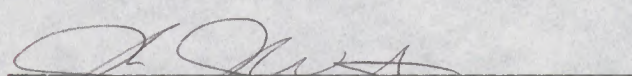
1 referred to above, in accordance with the Act.

2 SECTION 4. In order to induce the Applicant to proceed  
3 with the acquisition, construction and equipping of the Project,  
4 the Common Council hereby finds, determines, ratifies and con-  
5 firms that (i) it will take or cause to be taken such actions  
6 pursuant to the Act as may be required to implement the afore-  
7 said financing, or as it may deem appropriate in pursuance  
8 thereof, provided that all of the foregoing shall be mutually  
9 acceptable to the Issuer and the Applicant; and (ii) it will  
10 adopt such ordinances and resolutions and authorize the execu-  
11 tion and delivery of such instruments and the taking of such  
12 action as may be necessary and advisable for the authorization,  
13 issuance and sale of said economic development bonds.

14 SECTION 5. All costs of the Project incurred after the  
15 passage of this Inducement Resolution, including disbursement or  
16 repayment of the Applicant of monies expended by the Applicant  
17 for planning, engineering, interest paid during construction,  
18 underwriting expenses, attorney and bond counsel fees, acquisi-  
19 tion, construction and equipping of the Project will be per-  
20 mitted to be included as part of the bond issue to finance said  
21 Project, and the Issuer will thereafter either sell or lease the  
22 same to the Applicant or loan the proceeds of such financing to  
23 the Applicant for the same purposes.

24   
25 COUNCILMAN

26 APPROVED AS TO FORM AND  
27 LEGALITY.

28   
29 John J. Wernet, Attorney for the  
30 Economic Development Commission  
31 Dated this 21<sup>st</sup> day of Nov, 1983  
32



Read the first time in full and on motion by GiaQuinta, seconded by Stier, and duly adopted, read the second time by title and referred to the Committee Revenue (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on \_\_\_\_\_, 19\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ .M., E.S.T.

DATE: 11-22-83

Sandra E. Kennedy  
CITY CLERK

Read the third time in full and on motion by Stier, seconded by Stier, and duly adopted, placed on its passage. PASSED (~~LOST~~) by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>	<u>TO-WIT:</u>
<u>TOTAL VOTES</u>	<u>8</u>	<u>      </u>	<u>      </u>	<u>1</u>	<u>      </u>
<u>BRADBURY</u>	<u>✓</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
<u>BURNS</u>	<u>✓</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
<u>EISBART</u>	<u>✓</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
<u>GiaQUINTA</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>✓</u>	<u>      </u>
<u>SCHMIDT</u>	<u>✓</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
<u>SCHOMBURG</u>	<u>✓</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
<u>SCRUGGS</u>	<u>✓</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
<u>STIER</u>	<u>✓</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
<u>TALARICO</u>	<u>✓</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>

DATE: 11/29/83

Sandra E. Kennedy  
- CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (~~ZONING MAP~~) (~~GENERAL~~) (~~ANNEXATION~~) (~~SPECIAL~~) (~~APPROPRIATION~~) ORDINANCE (RESOLUTION) NO. B-107-83 on the 29th day of November, 19 83.

Sandra E. Kennedy  
CITY CLERK

(SEAL)  
Ray A. E. Bork  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 30th day of November, 19 83, at the hour of 10:00 o'clock A.M., E.S.T.

Sandra E. Kennedy  
CITY CLERK

Approved and signed by me this 30th day of Nov. 19 83, at the hour of 11 o'clock A.M., E.S.T.

Win Moses, Jr.  
WIN MOSES, JR. - MAYOR



BILL NO. R-83-11-05

REPORT OF THE COMMITTEE ON FINANCE

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS REFERRED AN  
ORDINANCE A RESOLUTION FINDING, DETERMINING AND RATIFYING AN INDUCEMENT  
RESOLUTION OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION AUTHORIZING  
THE ISSUANCE AND SALE OF \$3,000,000.00 ECONOMIC REVENUE BONDS --  
THE APPLICANT -- PATTON ELECTRIC CO., INC.,

HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT  
BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE Do PASS.

MARK E. GIAQUINTA, CHAIRMAN

JAMES S. STIER, VICE CHAIRMAN

JANET G. BRADBURY

SAMUEL J. TALARICO

DONALD J. SCHMIDT

James S. Stier  
Janet G. Bradbury  
Samuel J. Talarico  
DJ Schmidt

*Ctr cleared  
11-29-83*

*Sandra E. Kennedy*



APPLICATION TO FORT WAYNE, INDIANA  
ECONOMIC DEVELOPMENT COMMISSION,  
FOR ECONOMIC DEVELOPMENT  
REVENUE BOND FINANCING

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- (1) Applicant's name

PATTON ELECTRIC COMPANY, INC.

- (2) Address of Applicant's Principal Office and Place of Business.

P.O. Box 128  
15012 Edgerton Road  
New Haven, IN 46774

- (3) Type of organization under which the Applicant does business  
(e.g. corporation, partnership, sole proprietorship, joint venture).

Corporation

- (4) Under the laws of what State is the Applicant organized?

Indiana

- (5) Business or business in which applicant is engaged?

Manufacturing

- (6) Is the applicant qualified to do business in Indiana?

Yes

(7) Please list names and titles of principal operating personnel.

Noel Thomas Patton, Chief Executive Officer  
Thomas D. Beane, President  
William L. Hunt III, V.P. Sales & Marketing

(8) Please list names of all persons or firms having an ownership interest of 10% or more in the applicant.

Noel Thomas Patton

(9) Please list names of any persons who are both (a) shareholders or holders of any debt obligation of the applicant; and (b) officers or members of the Economic Development Commission; or members of the Common Council of the City; or members of the Allen County Council.

NONE

(10) Has any person listed been (a) convicted of a felony, (b) convicted of or enjoined from any violation of state or federal securities laws, or (c) a part to any consent order or entry with respect to an alleged state or federal securities law violation, in each case within ten years preceding the date of this application?

NO



(11) What is applicant's net worth as of the end of the calendar or fiscal year quarter next preceding the date of the application?

9/30/83                      \$1,305,000.00

(12) How long has applicant been in business (a) under its present name, and (b) under any prior names? Please supply, if applicable.

1945

(13) What is the proposed amount of the bond issue?

\$3,000,000.00

(14) How are the proceeds of the issue to be used? (Itemize by category of expenditure)

Machinery & Equipment	\$1,411,256
Mold & Tools	250,000
New Building	960,000
Existing Plant re-arrangement	<u>378,744</u>
	\$3,000,000

(15) If the proceeds of the issue are not estimated to be sufficient to acquire, construct and/or remodel, and equip the proposed project, itemize the additional expenditures which will be necessary and indicate the source of such funds.

N/A

(16) Where is the proposed project to be located? (Give street address and legal description as it appears on auditor's records).

15012 Edgerton Road  
New Haven, IN



(17) Describe facilities to be constructed. (Provide architect's rendering if available).

80,000 Sq. Ft. building to house finished goods storage and shipping department

(18) Is the project solely within the city limits of Fort Wayne? (If not, give the name of the township and/or other municipality in which it is located).

Jefferson Township-Allen County

(19) Is the property solely within the Fort Wayne Community School District? (If not, state the name of the School District in which it is located).

East Allen County School District

(20) What is the approximate size of the tract or parcel on which the property is to be situated?

17 Acres

(21) If the proposed project or a portion thereof is to be leased to another entity or entities, name the entity or entities and describe the portion to be leased. If no lease is contemplated, please indicate.

NO



(22) What is the nature of the business to be conducted at this location?

Manufacturing

(23) Does existing zoning clearly permit construction and operation of the proposed project?

(a) - What is the existing zone? I-3 Heavy Industry

(b) - What zone does project require? Same

(24) Will the proposed project have ready access to (a) water, and (b) sewers? If not, state how it is intended to obtain access to those utilities.

(a) Yes

(b) Yes

(25) Are septic tank or other temporary sewage treatment and disposal facilities to be used in lieu of sewers?

N/A

(26) Describe briefly any adverse environmental impact anticipated by reason of operation of the proposed project, with particular reference to air, noise or water pollution.

NONE



(27) If the project is constructed, will any existing jobs be lost by reason of reduction or cessation of operations (a) in the City, (b) in Allen County, or (c) elsewhere in the State of Indiana?

NO

(28) Describe briefly by category the nature of the new jobs to be created.

Supervisors, Tool & Die Repair, Maintenance, Machine Operators, Material Handlers, Assemblers, Clerical

(29) State the number of new jobs to be created (a) immediately after the proposed facilities are placed into operation, and (b) within three years thereafter.

(a) 47  
(b) 141

(30) What additional annual payroll will the new jobs generate (a) immediately after the proposed facilities are placed into operation, and (b) within three years thereafter.

(a) \$ 523,000  
(b) \$ 1,466,000

(31) If the proposed project would not be approved for tax-exempt financing, is there any substantial possibility that loss of existing jobs would occur in (a) the City, (b) the County, or (c) the State of Indiana? If the answer to either (a), (b) or (c) is affirmative, what would be the approximate number of jobs lost and the approximate net annual dollar amount of payroll loss?

UNKNOWN



(32) Has the proposed project been informally reviewed by bond counsel to determine whether it is in accordance with the applicable state and federal law? If so, by what firm of bond counsel?

NO

(33) Have tentative or final arrangements been made for sale of the bonds? Describe briefly any such arrangements.

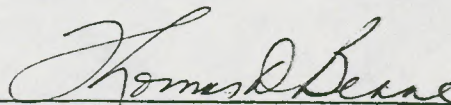
Tentative Arrangements thru E.F. Hutton Group

(34) Describe briefly the proposed method of financing. (Direct, loan, lease, sale, etc.)

Direct loan thru sale of Economic Development  
Revenue Bonds

PATTON ELECTRIC COMPANY, INC.  
Name of Applicant

BY:



Thomas D. Beane

Its:

President

Dated this 25<sup>th</sup> day of October, 1983.

State name, address and phone number of person to be contacted and given notice about this applicant:

Donald F. Strutz, Attorney  
1219 Anthony Wayne Bank Bldg.  
Fort Wayne, IN 46802  
(219) 423-1476



PATTON ELECTRIC COMPANY, INC.

Statement of Operations and Retained Earnings

	Year Ended November 30	
	<u>1982</u>	<u>1981</u>
NET SALES . . . . .	\$ 15,059,424	\$ 20,013,382
COST OF GOODS SOLD:		
Inventory, beginning of year . . . . .	5,916,287	2,174,888
Purchases . . . . .	7,689,992	16,318,000
Direct labor . . . . .	442,953	578,935
Manufacturing expenses . . . . .	1,488,342	1,085,858
	<u>15,537,574</u>	<u>20,157,681</u>
Deduct: Inventory, end of year . . . . .	4,463,343	5,916,287
	<u>11,074,231</u>	<u>14,241,394</u>
GROSS PROFIT . . . . .	<u>3,985,193</u>	<u>5,771,988</u>
OPERATING EXPENSES:		
Selling . . . . .	1,862,650	1,933,041
Shipping and warehouse . . . . .	635,626	723,113
Administrative . . . . .	1,089,767	1,613,810
Research and development . . . . .	136,033	59,068
	<u>3,724,076</u>	<u>4,329,032</u>
OPERATING INCOME . . . . .	261,117	1,442,956
OTHER INCOME (EXPENSE)--net . . . . .	( 824,970)	( 496,484)
INCOME (LOSS) BEFORE INCOME TAXES . . . . .	( 563,853)	946,472
INCOME TAXES (CREDIT) . . . . .	( 313,726)	399,997
NET INCOME (LOSS) . . . . .	( 250,127)	546,475
RETAINED EARNINGS, BEGINNING OF YEAR . . . . .	<u>1,377,349</u>	<u>830,874</u>
RETAINED EARNINGS, END OF YEAR . . . . .	<u>\$ 1,127,222</u>	<u>\$ 1,377,349</u>

See accompanying notes to financial statements.





Jack G. Suter • executive director • 219-423-7096

allen county plan commission • 630 city-county building • one main street • fort wayne, indiana • 46802

November 9, 1983

Mr. Fred Baughman  
Coordinator  
Economic Development Commission  
City-County Building  
Fort Wayne, Indiana 46802

Dear Fred:

Re: EDC Financing, Patton Electric Company Inc.

We have reviewed our report regarding the above-mentioned application and are pleased to report that the zoning is proper for the proposed use.

Cordially,

A handwritten signature in cursive script, appearing to read "Jack G. Suter".

Jack G. Suter

JGS:sh



REPORT OF THE FORT WAYNE ECONOMIC DEVELOPMENT  
COMMISSION CONCERNING THE PROPOSED FINANCING  
OF ECONOMIC DEVELOPMENT FACILITIES FOR  
Patton Electric Company, Inc.

Having been furnished certain data by the above applicant, and having had discussions with representatives of said applicant, the Fort Wayne Economic Development Commission now submits the following report pursuant to Indiana Code 36-7-12-1 et seq.

Description of Proposed Facilities

The project will consist of construction of a building, improvements to existing buildings, acquisition of machinery and equipment, plus purchase molds and tools to be located within Allen County.

Estimate of Public Services Required

All public services, including water and sewage, now exist. No public facilities will be made necessary on account of the proposed facilities.

Total Project Cost

The total project cost for the purchase, construction and equipping of the facilities is estimated to be \$3,000,000.00, including costs of issuance of the economic development revenue bonds.

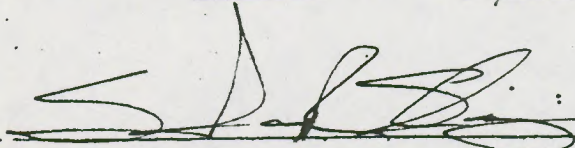
Number of Jobs and Estimated Payroll

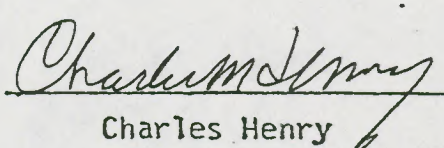
It is anticipated there will be approximately 47 - 41 new jobs created by this project with an estimated payroll increase of approximately \$ 523,000 - annually.  
1,466,000.00

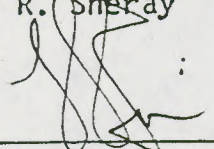
Adverse Competitive Effect

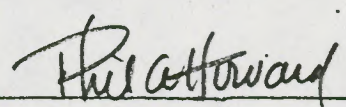
The construction of the facilities will not have an adverse competitive effect on any similar facilities already constructed or operating in or near Fort Wayne, Indiana.

Dated this 3rd day of November, 1983.

  
Sidney R. Shera

  
Charles Henry

  
Timothy Borne

  
Phil A. Howard

